Message Text

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INFO OCT-01 NEA-10 ISO-00 SS-15 PRS-01 SSO-00 /029 W

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INFO AMEMBASSY ISLAMABAD

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E.O. 11652: N/A

TAGS: OVIP (CHRISTOPHER, W.)

SUBJECT: VISIT BY DEPUTY SECRETARY

REF: STATE 164515

FOLLOWING IS AN OPENING STATEMENT AND DRAFT QUESTIONS AND ANSWERS FOR THE DEPUTY SECRETARY'S PRESS CONFERENCE, AS REQUESTED REFTEL.

1. OPENING STATEMENT.

THE PURPOSE OF MY SHORT STOP IN INDIA.—AN OPPORTUNITY AFFORDED BY THE TRIP I AM UNDERTAKING FOR VARIOUS PURPOSES AROUND THE WORLD.—WAS TO MEET AND TALK WITH OFFICIALS OF THE GOVERNMENT OF INDIA, PARTICULARLY THE MINISTER OF EXTERNAL AFFAIRS, MR. VAJPAYEE, AND THE MINISTER OF FINANCE, MR. PATEL. I AM VERY SORRY THAT THE ABSENCE OF PRIME MINISTER DESAI PRECLUDED MY CALLING ON HIM ALSO.

MY GOVERNMENT IS PERSUADED THAT THERE ARE MANY AREAS OF FRUITFUL COOPERATION BETWEEN OUR TWO COUNTRIES BEYOND THOSE BILATERAL ARRANGEMENTS--SUCH AS THE INDO-AMERICAN JOINT COMMISSION AND ITS THREE SUBCOMMISSIONS--THAT ALREADY GIVE USEFUL SUBSTANCE TO OUR RELATIONSHIP. OBVIOUSLY, IT IS NOT POSSIBLE LIMITED OFFICIAL USE

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IN SUCH A SHORT TIME TO TRANSACT MAJOR ITEMS OF BUSINESS. MY TALKS WITH MR. VAJPAYEE AND MR. PATEL WERE THEREFORE CONFINED TO MY EXPRESSION OF THE IMPORTANCE WE ATTACH TO INDIA'S ROLE ON THE WORLD SCENE AS WELL AS REGIONALLY AND TO A GENERAL SURVEY OF THE INTERNATIONAL SITUATION AS SEEN FROM OUR RESPECTIVE POINTS OF VIEW.

MY TALKS WITH THE FOREIGN MINISTER COVERED SUCH SUBJECTS AS THE INDIAN OCEAN. THE MIDDLE EAST, THE PROSPECTS FOR AGREE-MENT ON STRATEGIC ARMS LIMITATION. MR. VAJPAYEE BRIEFED ME ON THE MAJOR CHANGES WHICH HAVE TAKEN PLACE IN INDIA SINCE LAST WINTER'S ELECTIONS AND THE POLICIES OF THE NEW GOVERN-MENT. IN MY MEETING WITH THE FINANCE MINISTER WE DISCUSSED OUR MUTUAL INTEREST IN THE CONTINUING DIALOGUE BETWEEN DEV-ELOPING AND DEVELOPED COUNTRIES, WHICH IS NOW BEING PURSUED ALMOST NON STOP IN A SERIES OF INTERNATIONAL FORUMS. I ALSO INFORMED HIM OF THE STATUS OF THE PROPOSAL OF THE UNITED STATES CONGRESS THAT FUNDS BE APPROPRIATED FOR A BILATERAL ASSISTANCE PROGRAM FOR INDIA. I SHOULD ADD THAT THIS PROPOSAL IS STRONGLY SUPPORTED BY PRESIDENT CARTER AND HIS ADMINISTRA-TION. I HAVE BEEN MOST CORDIALLY RECEIVED BY THE REPRESEN-TATIVES OF THE GOVERNMENT OF INDIA. AND I AM GRATEFUL FOR THE CHANCE I HAVE HAD TO LEARN FIRSTHAND HOW INDIA ENVISAGES THE FURTHER COURSE OF MULTILATERAL DIPLOMACY. NOW I AM PRE-PARED TO TAKE ANY QUESTION YOU MAY HAVE.

2. QUESTIONS AND ANSWERS

WHAT PROGRESS HAVE BEEN MADE IN TALKS WITH THE SOVIET UNION CONCERNING THE INDIAN OCEAN? THE ORIGINAL OBJECTIVE OF THESE TALKS WAS THE DEMILITARIZATION OF THE AREA. HAS THE OBJECTIVE BEEN DOWNGRADED, SO THAT NOW ONLY THE MAINTENANCE OF THE STATUS QUO, ARMS LIMITATION, IS SOUGHT? DID YOU DISCUSS THIS LIMITED OFFICIAL USE

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WITH THE FOREIGN MINISTER?

ANS. (DEPARTMENT TO SUPPLY RESPONSE TO QUESTION CONCERNING STATUS OF THE INDIAN OCEAN TALKS.) THE OBJECTIVE OF OUR DISCUSSIONS WITH THE SOVIET UNION CONCERNING THE INDIAN OCEAN CONTINUES TO BE ITS DEMILITARIZATION. TO ACHIEVE THIS GOAL IT MAY BE NECESSARY TO PASS THROUGH INTERMEDIATE STAGES SUCH AS LIMITING FURTHER MILITARY EXPANSION IN THE AREA. (DEPENDING UPON THE MEETING WITH THE FOREIGN MINISTER:) THE FOREIGN MINISTER AND I DID DISCUSS THIS TOPIC, WHICH IS OF GREAT IMPORTANCE TO BOTH OUR NATIONS.

3. WHY DOES THE US CONTINUE TO MAINTAIN A BASE AT DIEGO GARCIA, WHEN THE USSR DOES NOT HAVE SUCH A PRESENCE IN THE INDIAN OCEAN?

ANS. AS I SAID, THE US IS COMMITTED TO THE DEMILITARIZATION OF THE INDIAN OCEAN. THIS OBJECTIVE CAN ONLY BE ACHIEVED IN COOPERATION WITH THE SOVIET UNION AND THE OTHER INTERESTED NATIONS. IT IS NOT CORRECT TO SAY THAT THE USSR DOES NOT HAVE A MILITARY BASE IN THE INDIAN OCEAN. THE SOVIETS HAVE DEVELOPED AN EXTENSIVE AIR AND NAVAL CAPABILITY AT BERBERA

IN SOMALIA.

4. WHAT IS THE ATTITUDE OF THE US TOWARDS THE NEW MILITARY GOVERNMENT IN PAKISTAN? WHAT IS THE POSITION OF THE US CON-,2 6:34.8.

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ANS. IT WOULD NOT BE APPROPRIATE FOR ME TO COMMENT FROM INDIA ON INTERNAL DEVELOPMENTS IN A NEIGHBORING COUNTRY. CONCERNING THE SALE OF MILITARY EQUIPMENT TO PAKISTAN, PRESIDENT CARTER HAS RECENTLY ANNOUNED A NEW POLICY LIMITING THE TRANSFER OF CONVENTIONAL ARMS. WITHIN THIS POLICY OUR POSITION TOWARDS THE SUBCONTINENT CONTINUES TO BE THAT WE WILL NOT BECOME A LIMITED OFFICIAL USE

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MAJOR SUPPLIER OF ARMS AND THAT WE WILL NOT STIMULATE AN ARMS RACE IN THE REGION. WE DO NOT WANT TO INTERFERE WITH THE PROCESS OF NORMALIZATION BETWEEN INDIA AND PAKISTAN. THIS DOES NOT MEAN THAT WE WILL NOT SELL ARMS BUT IT DOES MEAN THAT SPECIFIC REQUESTS FROM EITHER COUNTRY WOULD HAVE TO BE EXAMINED ON A CASE-BY-CASE BASIS WITHIN THE CONFINES OF THIS POLICY.

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5. WHEN WILL SECRETARY VANCE AND PRESIDENT CARTER VISIT INDIA? HAS PRESIDENT CARTER INVITED PRIME MINISTER DESAI TO VISIT THE UNITED STATES?

ANS. (DEPARTMENT TO SUPPLY.)

6. IS THE UNITED STATES GOING TO INSIST ON INSPECTION AND SAFEGUARDS ON ALL OF INDIA'S NUCLEAR FACILITIES, INCLUDING THOSE NOT ASSISTED BY THE UNITED STATES, AS A CONDITION FOR THE FUTURE SUPPLY OF NUCLEAR FUEL FOR TARAPUR, FOR WHICH THE UNITED STATES HAS A BILATERAL COMMITMENT? DID YOU DISCUSS THIS WITH THE FOREIGN MINISTER?

ANS. AS YOU KNOW, WE RECENTLY AGREED TO A SHIPMENT OF NUCLEAR FUELD FOR TARAPUR. AS THE PRIME MINISTER MENTIONED IN PARLIAMENT THE OTHER DAY, OUR TWO GOVERNMENTS WILL SOON BEING DISCUSSIONS CONCERNING NON-PROLIFERATION. WE EXPECT THAT THE ISSUE WHICH YOU HAVE RAISED, AS WELL AS OTHERS, WILL COME UP AS WE CONSIDER HOW WE CAN ACHIEVE OUR COMMON SHARED OBJECTIVE OF HALTING NUCLEAR PROLIFERATION. (CONTINGENT UPON WHAT TAKES PLACE AT THE MEETING WITH THE FOREIGN MINISTER;) I DID NOT DEAL AT LENGTH WITH THIS SUBJECT IN MAY TALKS WITH THE FOREIGN MINISTER. OTHER PERSONS FROM MY GOVERNMENT WILL BE MEETING WITH THEIR COUNTERPOARTS IN THE GOVERNMENT OF INDIA ON THESE MATTERS.

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SUPPLEMENTARY QUESTION: WHEN AND WHERE WILL THESE TALKS TAKE PLACE AND WHO WILL PARTICIPATE IN THEM?

ANS. THIS IS NOW UNDER CONSIDERATION WITH THE GOI.

7. WILL THE UNITED STATES TERMINATE ITS SUPPLY OF NUCLEAR FUEL IF INDIA CONDUCTS ANOTHER PEACEFUL NUCLEAR TEST?

ANS. YES. OUR LAW REQUIRES THAT. AT THE SAME TIME, PRIME MINISTER DESAI'S RECENT STATEMENT IN PARLIAMENT CONCERNING FUTURE PEACEFUL NUCLEAR EXPLOSIONS COVERS THIS POINT ADEQUATELY FROM OUR POINT OF VIEW.

8. IS THE UNITED STATES SEEKING TO PREVENT INDIA FROM DEVELOP-ING BREEDER REACTOR TECHNOLOGY?

ANS. THE UNITED STATES HAS PROPOSED AN INTERNATIONAL EXAMINATION OF ALL FUEL CYCLES SO THAT NATIONS CAN DEVELOP AND UTILIZE THOSE FUELS FOR POWER GENERATION WHICH DO NOT PRODUCE PLUTONIUM CAPABLE OF BEING UTILIZED IN WEAPON PRODUCTION.

9. WHY DOES THE UNITED STATES CONTINUE TO PREVENT INDIA FROM REPROCESSING SPENT NUCLEAR FUEL?

ANS. THE CARTER ADMINISTRATION HAS URGED ALL NATIONS TO AVOID

REPROCESSING, WHICH PRODUCES PLUTONIUM, WHICH CAN BE UTILIZED TO MAKE WEAPONS. IN INDIA OUR DIRECT INTEREST RELATES TO SPENT FUEL PRODUCED FROM ENRICHED URANIUM WHICH THE UNITED STATES HAS SUPPLIED. ACCORDING TO OUR AGREEMENT WITH THE GOVERNMENT OF INDIA, ANY USE OF THIS SPENT FUEL IS THE SUBJECT OF MUTUAL AGREEMENT.

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SUPPLEMENTARY QUESTION: DOES THIS MEAN THE US WILL NOT AGREE TO THE REPROCESSING OF SPENT FUEL WHICH IT HAS SUPPLIED.

ANS. YES. OR AT LEAST UNTIL SOME BETTER SAFEGUARDS FOR PLUTONIUM ARE DISCOVERED.

10. DID YOU DISCUSS BILATERAL AID WITH THE MINISTER OF FINANCE?

ANS. AS PART OF A GENERAL FOREIGN ASSISTANCE BILL, THE US CONGRESS IS IN THE FINAL STAGES OF APPROPRIATING FUNDS FOR A NEW ECONOMIC ASSISTANCE PROGRAM FOR INDIA. THIS WAS THE RESULT OF INITIATIVES BY BOTH MEMBERS OF THE HOUSE OF REPRESENTATIVES AND THE SENATE AND HAS THE ENTHUSIASTIC SUPPORT OF BOTH HOUSES AS WELL AS PRESIDENT CARTER. I INFORMED THE FINANCE MINISTER OF THE STATUS OF THIS LEGISLATION AND INDICATED OUR WILLINGNESS TO DISCUSS AT ANY APPROPRIATE TIME HOW SUCH FUNDS MIGHT BE USED FOR INDIAN DEVELOPMENT.

11. WHY IS THE U.S. TRYING TO REDUCE INDIA'S SHARE OF WORLD BANK (IDA V) LOANS?

ANS. THAT IS NOT MY GOVERNMENT'S INTENT. THE WORLD BANK AND ITS EXECUTIVE DIRECTORS PERIODICALLY REVIEW THE CRITERIA FOR WORLD BANK ASSISTANCE. WE HAVE MADE SUGGESTIONS AS TO THESE CRITERIA AND AT THE SAME TIME ARE RECOMMENDING TO OUR CONGRESS A LARGE INCREASE IN OUR CONTRIBUTION UNDER IDA V.

12. WHY HAS THE UNITED STATES REFUSED TO CONDEMN THE MILITARY TAKEOVER IN PAKISTAN? WHAT IS THE UNITED STATES DOING TO PREVENT PAKISTAN FROM BUILDING A REPROCESSING PLANT WITH THE ASSISTANCE OF THE FRENCH?

ANS. IT WOULD NOT BE APPROPRIATE FOR ME TO COMMENT HERE ON THESE MATTERS CONCERNING A NEIGHBORING COUNTRY FROM INDIA.

13. WHY DID NOT SECRETARY VANCE MENTION INDIA IN HIS RECENT LIMITED OFFICIAL USE

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SPEECH ABOUT ASIA?

ANS. THE SECRETARY'S SPEECH CONCERNED EAST ASIA AND THE PACIFIC. MOST RECENTLY (JUNE 22) ASSISTANT SECRETARY ATHER-TON, WHO IS IN CHARGE OF NEAR-EASTERN AND SOUTH ASIAN AFFAIRS IN THE STATE DEPARTMENT, DELIVERED A MAJOR ADDRESS DEALING WITH INDIA AND THE SUBCONTINENT. AS HE POINTED OUT, THERE IS A RESURGENCE OF INTEREST IN INDIA IN THE UNITED STATES AT THE PRESENT TIME. I SHOULD LIKE TO REAFFIRM THAT THE COMMIT-MENT TO DEMOCRACY BY THE INDIAN PEOPLE IS A DEVELOPMENT OF MAJOR IMPORTANCE FOR THE ENTIRE WORLD. YOU SHOULD RECALL THAT IN HIS MAJOR FOREIGN POLICY SPEECH AT NOTRE DAME ON MAY 22, PRESIDENT CARTER SINGLED OUT INDIA AS ONE OF "DEMOCRACY'S GREAT RECENT SUCCESSES." THE UNITED STATES GOVERNMENT HAS ALSO INDICATED ITS ADMIRATION FOR THE MANNER IN WHICH INDIA AND THE OTHER NATIONS OF SOUTH ASIA HAVE REACHED AGREEMENTS DIRECTLY BETWEEN THEMSELVES WITHOUT OUTSIDE INTERVENTION. WHILE WE HAVE NO DIRECT ROLE TO PLAY IN THIS PROCESS OF ACCOMO-DATION. WE ENCOURAGE IT AND ARE CAREFUL TO DO NOTHING TO UPSET IT. IT IS AN EXAMPLE TO THE REST OF THE WORLD OF HOW NATIONS CAN BY THEMSELVES WORK OUT THEIR PROBLEMS AND USE THEIR RESOURCES FOR THEIR DEVELOPMENT NEEDS. **GOHEEN**

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Message Attributes

Automatic Decaptioning: X

Capture Date: 01-Jan-1994 12:00:00 am Channel Indicators: n/a **Current Classification: UNCLASSIFIED**

Concepts: n/a

Control Number: n/a Copy: SINGLE Sent Date: 16-Jul-1977 12:00:00 am Decaption Date: 01-Jan-1960 12:00:00 am

Decaption Note: Disposition Action: RELEASED Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW

Disposition Date: 22 May 2009 Disposition Event:

Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977NEWDE10087
Document Source: Document Unique ID: 00

Document Unique ID: 00 Drafter: n/a

Enclosure: n/a Executive Order: N/A Errors: N/A

Expiration: Film Number: D770253-1201 Format: TEL From: NEW DELHI

Handling Restrictions: n/a Image Path:

ISecure: 1

Legacy Key: link1977/newtext/t19770750/aaaabrdn.tel

Line Count: 302 Litigation Code IDs: Litigation Codes:

Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM

Message ID: cc06366a-c288-dd11-92da-001cc4696bcc

Office: ACTION PA

Original Classification: LIMITED OFFICIAL USE Original Handling Restrictions: n/a Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

Page Count: 6
Previous Channel Indicators: n/a

Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a

Reference: 77 STĂTE 164515

Retention: 0

Review Action: RELEASED, APPROVED Review Content Flags: ANOMALY Review Date: 29-Mar-2005 12:00:00 am Review Event:

Review Exemptions: n/a **Review Media Identifier:** Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

SAS ID: 1841311 Secure: OPEN Status: NATIVE

Subject: VISIT BY DEPUTY SECRETARY

TAGS: OVIP, (CHRISTOPHER, W)

To: STATE Type: TE

vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/cc06366a-c288-dd11-92da-001cc4696bcc

Review Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009